



**MCI Communications
Corporation**

1801 Pennsylvania Avenue, NW
Washington, DC 20006

December 16, 1996

Mr. William F. Caton
Secretary
Federal Communications Commission
Room 222
1919 M Street, N.W.
Washington, D.C. 20554

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DEC 16 1996

Federal Communications Commission
Office of Secretary

ORIGINAL

Re: 800 Data Base Access Tariffs and the 800 Service Management System Tariff and
Provision of 800 Services;
CC Docket No. 93-129

DOCKET FILE COPY ORIGINAL

Dear Mr. Caton:

On November 27, 1996, MCI Telecommunications Corporation (MCI) filed a petition for reconsideration of the Commission's Report and Order In the Matter of 800 Data Base Access Tariffs and the 800 Service Management System Tariff and Provision of 800 Services, CC Docket No. 93-129. MCI hereby notifies the Commission that it served copies of its petition for reconsideration on parties to the proceeding today, as soon as it recognized that it had inadvertently filed its petition pursuant to Section 1.429 of the Commission's Rules. Section 1.106 of the Commission's Rules requires that the petition for reconsideration be served on all parties to the proceeding.

Yours truly,

Alan Buzacott
Regulatory Analyst

Attachments: Service List
11/27 Petition for
Reconsideration

No. of Copies rec'd
List ABCDE

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CERTIFICATE OF SERVICE

I, Stan Miller, do hereby certify that copies of the foregoing MCI Petition for Reconsideration were sent via first-class mail, postage paid, to the following on this 16th day of December, 1996.

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**** HAND DELIVERED**


Stan Miller

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of:)
)
800 Data Base Access Tariffs and the)
800 Service Management System Tariff) CC Docket No. 93-129
and Provision of 800 Services)

MCI PETITION FOR RECONSIDERATION

Pursuant to Section 1.429 of the Commission's rules, MCI Telecommunications Corporation hereby submits this petition for reconsideration of the Commission's Report and Order (Order) in the above-captioned proceeding, FCC 96-392, released October 28, 1996.

In the Order, the Commission terminates the investigation of the LECs' 800 data base tariffs that it initiated in the 800 Suspension Order in 1993.¹ The Commission concludes that the tariff provisions filed by certain LECs are unlawful to the extent noted in the Order.² Consequently, the Commission disallows a total of \$34.1 million in

¹In the Matter of the Bell Operating Companies' Tariff for the 800 Service Management System, Tariff F.C.C. No. 1 and 800 Data Base Access Tariffs, Order, 8 FCC Rcd 3242 (800 Suspension Order).

²Order at ¶306.

exogenous costs claimed by the LECs, and orders the LECs to adjust their PCIs to reflect these disallowances.³

MCI respectfully requests that the Commission reconsider the Order to the extent that it does not require the LECs to refund the unlawful portion of the 800 data base rates collected since 1993. The LECs' 800 data base rates have been subject to an accounting order, instituted by the 800 Suspension Order, since April 28, 1993.⁴ However, the Order requires only that the LECs adjust their PCIs for the disallowed exogenous costs on a prospective basis; it does not provide for refunds or even address the accounting order.

The Commission's authority to prescribe a refund is undisputed. Pursuant to Section 204(a)(1) of the Communications Act, the Commission may require a carrier to refund, with interest, "such portion of such charge for a new service or revised charges as by its decision shall be found not justified." Because the Commission has determined that the LECs have included \$34.1 million in excess exogenous costs in their PCIs, it has the authority to require a refund of 800 data base rates that took advantage of these inflated PCIs.

The inflated PCIs have resulted in LEC customers paying a total of \$119.4 million in unjustified charges during the 42-month period the accounting order was in effect. Not only would the Commission's failure to require refunds harm the customers that have

³Order at ¶¶307-317, Appendix D.

⁴800 Suspension Order, 8 FCC Rcd at 3245.

paid these charges, but it would provide significant incentive for the LECs to propose unreasonable rates for future new services. It would send the message that the worst-case outcome is that the Commission may require a going-forward PCI adjustment.

The refunds for unreasonable 800 data base rates should be treated in the same manner as a sharing obligation. The Commission should require the LECs to make a one-time PCI adjustment reflecting the full amount of the excess exogenous costs included in the PCIs during the period that the 800 data base tariffs were subject to the accounting order, \$119.4 million, plus interest. After one year, the LECs may reverse the effect on the PCI in order to restore the status quo.

Respectfully submitted,
MCI TELECOMMUNICATIONS CORPORATION



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